

**2010 OE#3 NEGOTIATIONS
CITY INITIAL PACKAGE PROPOSAL***

TERM

Term: July 1, 2010 – June 30, 2011

PAY

Effective June 27, 2010, all classifications represented by OE#3 will be reduced by 5.00%. This will result in the top and bottom of the range of all classifications represented by OE#3 being 5.00% lower. All employees will receive a 5.00% base pay reduction.

FREEZING STEP INCREASES

As Proposed on March 10, 2010 (City Proposal #20)

CALL BACK PAY CHANGES

As Proposed on March 10, 2010 (City Proposal #3)

STANDBY PAY CHANGES

As Proposed on March 10, 2010 (City Proposal #4)

HEALTH INSURANCE COST SHARING

As Proposed on March 10, 2010 (City Proposal #5)

HEALTH INSURANCE PLAN DESIGN

As Proposed on March 10, 2010 (City Proposal #6)

HEALTH DUAL COVERAGE

As Proposed on March 10, 2010 (City Proposal #7)

HEALTH INSURANCE - HEALTH IN LIEU

As Proposed on March 10, 2010 (City Proposal #8)

CALCULATION OF OVERTIME

As Proposed on March 10, 2010 (City Proposal #9)

ELIGIBILITY OF OVERTIME

As Proposed on March 10, 2010 (City Proposal #10)

DOUBLEBACKS

As Proposed on March 10, 2010 (City Proposal #11)

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LEAVES OF ABSENCE

As Proposed on March 10, 2010 (City Proposal #12)

AGENCY FEE

As Proposed on March 10, 2010 (City Proposal #13)

VACATION PAY

As Proposed on March 10, 2010 (City Proposal #14)

SICK LEAVE PAYOFF

As Proposed on March 10, 2010 (City Proposal #15)

MEDICAL VERIFICATION

As Proposed on March 10, 2010 (City Proposal #16)

RETIREMENT COST MITIGATION

See Attached (City Proposal #17 and 18)

SALARY STEP STRUCTURE

As Proposed on March 10, 2010 (City Proposal #19)

PERFORMANCE EVALUATIONS

As Proposed on March 10, 2010 (City Proposal #21)

DISABILITY LEAVE SUPPLEMENT

As Proposed on March 10, 2010 (City Proposal #22)

DLS- INELIGIBILITY AND DECLINE OF MODIFIED DUTY

As Proposed on March 10, 2010 (City Proposal #23)

RETIREMENT LANGUAGE CHANGES

As Proposed on March 10, 2010 (City Proposal #24)

SUBSTANCE ABUSE PROGRAM

As Proposed on March 10, 2010 (City Proposal #25)

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HOUSEKEEPING

- Updating dates and outdated language/terms
- Incorporating existing language into the new contract

ADDITIONAL 5% TOTAL COMPENSATION REDUCTION

- Additional 5% reduction (TBD)

** This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the City reserves the right to modify, amend and/or add proposals.*

CITY PROPOSAL #17 AND 18- RETIREMENT COST MITIGATION

Proposed Language

ARTICLE 9 FULL UNDERSTANDING, MODIFICATION AND WAIVER

- 9.1 This Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any and all prior or existing Memorandums of Agreement, understandings and agreements, whether formal or informal, are hereby superseded and terminated in their entirety.
- 9.2 Existing benefits provided by ordinance or resolution of the City Council or as provided in the San Jose Municipal Code and which are referenced in the Agreement shall be provided in accordance with the terms of the Agreement.
- 9.3 It is the intent of the parties that ordinances, resolutions, rules and regulations enacted pursuant to this Memorandum of Agreement be administered and observed in good faith.
- 9.4 Although nothing in this Agreement shall preclude the parties from mutually agreeing to meet and confer on any subject within the scope of representation during the term of this Agreement, it is understood and agreed that neither party may require the other party to meet and confer on any subject matter covered herein or with respect to any other matter within the scope of representation during the term of this Agreement.

~~9.5 Notwithstanding the provisions of Article 9.4, between January 15, 2008 and January 31, 2008, each party may notify the other in writing of its desire to reopen this agreement on a single item. An item shall be defined as one subject within an Article in the MOA (for example, a party could reopen the across the board wage increase for 2008, but no other provision of the Article on Wages and Special Pay). Upon such notice being given, the duly authorized representatives of the parties shall meet and confer with respect to the item selected by each party. All provisions of this Agreement shall remain in full force and effect during any reopening and the reopened provisions may be modified only through mutual agreement of the parties. If no agreement is reached by March 15, 2008, the reopened provisions shall remain unchanged and in effect through the term of this agreement.~~

9.5 Retirement Benefits Reopener

9.5.1 Notwithstanding any other provision of this Agreement, the parties agree to commence meeting and conferring within fifteen (15) calendar days of the City providing written notice to OE#3 on retiree healthcare benefits for future employees and a medical reimbursement program for future retirees, and pension benefit/costs for current and future employees.

9.5.2 The parties intend to engage in the foregoing negotiations in a coalition bargaining process with all other interested represented bargaining units, if any. However, negotiations between the City and Employee Organization shall commence no later than fifteen (15) calendar days after the City provides written notice to OE#3, with or without the participation of any other bargaining unit.

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The City and Employee Organization shall negotiate in good faith in an effort to reach a mutual agreement.

- 9.5.3 If no agreement is reached, the parties will follow the impasse procedures set forth in the City of San Jose's Employer-Employee Relations Resolution (#39367) and the Meyers-Millias-Brown Act. The parties understand that this means that, notwithstanding any other provision of this agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.